

CBS EVENING NEWS
19 December 1984

CP07|ENGINEER/|RATHER: In California today, more mystery, more |ESPIONAGE|questions. Jerry Bowen reports what investigators are uncovering about Thomas Patrick Cavanagh, a man accused of trying to sell technology at the cutting edge of U.S. defense strategy to the Russians, a man who may be just the latest example of a U.S. growth industry, espionage and counterespionage.

BOWEN: Investigators today described the 40-year-old Cavanagh as a desperate man, so desperately in need of money that he tried to arrange the bargain-basement sell of the billion-dollar secret surrounding the highly classified, radar-immune Stealth bomber. Acting on his own, say investigators, Cavanagh telephoned the Soviet Embassy in Washington and the Soviet consulate in San Francisco. The consulate has long been suspected for electronic eavesdropping on California's technically rich 'Silicon Valley.' Sources confirmed to CBS News the FBI did some eavesdropping of its own, intercepting Cavanagh's calls on a telephone bug and directing the Northrop aerospace engineer to two FBI undercover agents posing as Soviet spies. They met early this month in this Los Angeles area bar and then at this motel, where Cavanagh allegedly turned over confidential documents and blueprints and was recorded explaining that he needed \$25,000 to eliminate credit problems standing in the way of his promotion at Northrop, promotion to a top-secret classification that would enable him to steal even more secrets. 'But I need that top-secret level or I ain't gonna get nothing, you know. I'm after big money. Twenty-five thousand dollars is a drop in the bucket, believe me.' The source of Cavanagh's money problem is unclear. His estranged wife and two teenage sons live in this Cerritos, Calif., house. One of the boys drives a Corvette sports car. Cavanagh and his girlfriend had been living in this apartment, which was sealed and searched by the FBI. The manager of the apartment building where Cavanagh and his girlfriend lived until August described him as quiet but arrogant and a big spender.

MURIEL ZELMAN (apartment manager): Before they moved, there were lots of packages came from some of the exclusive stores like I. Magnin.

BOWEN: Cavanagh's being held tonight at Terminal Island Prison until a Friday bond hearing. The government is arguing against bail. Jerry Bowen, CBS News, Los Angeles.